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SUBJECT: JERUSALEM MEDIA REACTION (04/02): "NETANYAHU CHANGES THE RULES OF THE GAME"

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Main Stories:  
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Al-Ayyam and Al-Hayat Al-Jadida lead with statements by Israeli Foreign Minister Lieberman on April 1, stating that he has no intention of abiding by the Annapolis agreement. According to reports that also appear in Al-Quds' front page, Lieberman considers only the 2003 U.S. Road Map to be a valid document. Al-Ayyam's front page cites a wire report quoting former Israeli Foreign Minister Livni commenting that Lieberman's statements reinforced her belief that Kadima was correct in not joining a coalition Likud government and that the two-state solution remains the only option for peace. In U.S. reaction to Lieberman's statement, Al-Quds cites DPA on its front page in noting that the U.S. will continue to support the two-state solution.

In lead photos, Al-Ayyam and Al-Hayat Al-Jadida run photos of emotional Palestinian families in Jerusalem and Nablus protesting the detention of loved ones in Israeli detention centers and prisons. Meanwhile, Al-Quds leads with a photo from the G20 summit showing protesters in London holding Palestinian flags and signs reading, "Free Palestine, End Gaza Siege, YES WE CAN."

Al-Hayat Al-Jadida's front page cites an AFP report that quotes Palestinian Authority President Abbas calling on the international community to urge Israeli Prime Minister Netanyahu to accept the establishment of an independent Palestinian state. In related news, Al-Quds front pages a wire report about European leaders calling on the new Israeli government to end the Palestinian-Israeli conflict by proceeding towards the establishment of an independent Palestinian state.

Al-Quds leads with news that the Jerusalem Municipality plans to impose fines and penalties on landlords who own properties without

required permits. The report indicates that fines will also be imposed on tenants who rent in "illegal" buildings. The report adds that Palestinian officials responded during an April 1 press conference in Ramallah, calling the measures, "political in nature" and a move that will, "deepen hatred and bias" against Palestinians residing in Jerusalem.

All front pages offer more detail on the previously reported news that Palestinian Authority Premier Fayyad will remain in office until a new government is formed. According to an AFP report cited on Al-Quds' front page, Palestinian Authority Premier Fayyad will remain in office in order to avoid a constitutional gap during Cairo unity talks. Fayyad expressed his hopes that the talks will end in the formation of a national consensus government.

All three dailies front page reports about Palestinian national dialogue in Cairo. Reports repeat explanations that the third round of talks will focus on resolving questions related to legislative and presidential elections based on proportional representation, formation of a transitional government, security, and the PLO as sole legal representative of the Palestinians. In related news, Al-Quds' front page runs the results of a recent opinion poll conducted by Near East Consulting that shows that 56% of Palestinians in the West Bank and Gaza believe that the current dialogue between Hamas and Fatah will succeed in achieving national unity and end the division between the West Bank and Gaza. The poll further shows that Fatah leader Marwan Barghouti would likely win in new elections for the Palestinian Authority President. Meanwhile, Al-Ayyam's inside page reports on a poll conducted by Norwegian FAFO that shows that 93% of Palestinians in the West Bank and Gaza

JERUSALEM 00000599 002 OF 002

support the continuation of national dialogue aimed at forming a unity government.

In economic news, Palestinian Authority Premier Fayyad signed an agreement with the UN's International Fund for Agricultural Development on April 1, which includes support to the Palestinian Authority in the amount of \$5 million for agricultural sector projects in the Palestinian Territories.

Al-Quds and Al-Hayat Al-Jadida report on their inside pages about the 3rd Career Day for Girls that took place in Ramallah on April 1, co-sponsored by the U.S Consulate General and Young Entrepreneurs Palestine organization. According to coverage, 200 girls from local high schools participated in the event that provided them an opportunity to explore future career aspirations.

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BLOCK QUOTES:  
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1) Abdallah Awwad opines in Al-Ayyam independent daily under the title, "We know what Tel-Aviv proposes, now what do we propose?"(04/02): "Netanyahu was clear in presenting the political agenda of his government: [Israel] does not envision a state for the Palestinians... only autonomy... [Israel] will not halt settlement activities, and will not end occupation. Still, [Netanyahu] will pursue peace with the Palestinians. What kind of peace, we haven't a clue... Why don't Palestinians put their national interests first and agree on a government? Why is our enemy united and we are not? It is because Israeli parties care about Israeli national interests first and not about the interests of internal factions, the way Palestinians do. We must wait until we can unite as Palestinians ...in order to unite as Palestinians, we must wait for Arab leaders to unite and agree on a common policy, and then wait for Arabs to form the strongest lobby to pressure the United States and the White House to deal firmly with Israel... all we can do is wait and God will send his blessings!"

2) Al-Hayat Al Jadida official daily runs an editorial by Yahya Rubbah under the title, "Netanyahu changes the rules of the game"(04/02): "... Benjamin Netanyahu takes the lead of the so-called Israeli government which was elected by the Israeli people who have come to blindly support extremist right-wing parties, and all this changes the rules of the game. Among the new rules are: no Palestinian state, no withdrawal from East Jerusalem, no return

of refugees... When Israel changes the rules, there is no point to playing according to the old rules. This is clearly demonstrated in the so-called "unity talks" in Cairo... There is no logic to continued Palestinian division... what mechanisms have we developed for resistance efforts???"

WALLES